

HOUSE No. 2900

By Mrs. Parente of Milford, petition of Marie J. Parente and Joyce A. Spiliotis for an investigation and study by a special commission (including members of the General Court) relative to the effect of privatization on the delivery of human services. State Administration and Regulatory Oversight.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

RESOLVE PROVIDING FOR AN INVESTIGATION AND STUDY BY A SPECIAL COMMISSION RELATIVE TO THE EFFECT OF PRIVATIZATION ON THE DELIVERY OF HUMAN SERVICES.

1 *Resolved*, That a special commission, to consist of 1 member
2 of the senate, 2 members of the house of representatives, the state
3 auditor or his designee, the secretary of health and human services
4 or his designee, the secretary of administration and finance or his
5 designee, the purchasing agent for the department of procurement
6 and general services or his designee and 8 persons to be appointed
7 by the governor 1 of whom shall be a representative of Arc
8 Massachusetts, Inc., 1 of whom shall be a representative of the
9 Massachusetts Alliance for the Mentally Ill, 1 of whom shall be a
10 representative of the Massachusetts Council of Human Services
11 Providers, Inc., 1 of whom shall be a representative of organized
12 labor and 3 persons who are consumers or family members served
13 by the department of social services, the department of youth
14 services and the department of correction, is hereby established
15 for the purpose of making an investigation and study of the
16 administrative and accounting controls currently used by the pur-
17 chase-of-service system and the feasibility, practicality, and cost-
18 effectiveness of making adjustment to said system. Said
19 investigation shall include but not be limited to the following
20 areas:
21 — Related party transactions including but not limited to sub-
22 contracting or consultant contracting with parent organizations;
23 — Compensation levels for direct care workers and agency
24 administrators;

25 — Program budget negotiations and monitoring including but
26 not limited to clearly defining appropriate use of state funds;
27 — Requirements for employee conduct including but not lim-
28 ited to the implications of provider employees being subject to
29 MGL, chapter 268A;
30 — Provider fraud including but not limited to grounds for
31 breaking or not renewing a contract;
32 — Cost-comparative analysis comparing centralized and decen-
33 tralized models of human service delivery;
34 — Said committee will investigate the areas recommended for
35 study by The Beacon Hill Institute Suffolk University Study of
36 1992 as outlined in their conclusions and recommendations;
37 — Cost to the Commonwealth for crisis care related to health
38 and safety and development of potentially more responsive and
39 cost effective approaches.
40 — Assessment of capital costs under the Home and Community
41 Based Services Waiver and potential resultant cost shifting.
42 — Assessment of the leasing arrangements, such as double net
43 leases, between the Commonwealth and vendors for residential
44 programs.
45 — Said committee will investigate the effect of privatization of
46 state services on the delivery of human services in the Depart-
47 ments of Mental Health, Mental Retardation, Social services,
48 Youth Services and Corrections, including but not limited to the
49 advisability of selling or using for other purposes state land and
50 facilities currently used to serve clients in said departments.
51 Support for the special commission will be provided through
52 the State Auditor's Office. One full-time equivalent position, to be
53 named Director for the Commission on Privatization, will be
54 established for the purposes of the commission at a salary and
55 benefit rate equal to that of the Director of the House Post Audit
56 and Oversight Bureau. The Director will be hired by and report to
57 the special commission and his/her duties will be dedicated solely
58 to the work of the special commission.
59 Said commission shall report to the General Court the results of
60 its investigation and study, and its recommendations together with
61 drafts of legislation necessary to carry such recommendations into
62 effect, by filing the same with the clerks of the Senate and House
63 of Representatives within two years of the date the commission
64 holds its first meeting.